

Department of Developmental Services
Proposed May Revision Trailer Bill Language
Issue# 655: Fairview—Shannon's Mountain Development

Add Government Code Section 14670.36 as follows:

- (a) Notwithstanding any other provision of law, the Director of General Services, with the consent of the Director of the Department of Developmental Services, may let in the best interests of the state at a price which will permit the development of affordable housing for people with developmental disabilities, to any person or entity, real property not exceeding 20 acres located within the grounds of the Fairview Developmental Center for a period not to exceed 55 years.
- (b) Notwithstanding any other provision of law, the lease authorized by this section:
 - (1) May be assignable subject to approval by the Director of General Services, with the consent of the Director of the Department of Developmental Services.
 - (2) Shall provide housing for individuals who qualify based upon criteria established by the Department of Developmental Services. A minimum of twenty percent of the housing units developed shall be available and affordable to individuals with developmental disabilities served by a regional center pursuant to Welfare and Institutions Code Section 4500, et seq. When filling vacancies, priority for housing shall be given to individuals transitioning from a developmental center or at risk at admission to a developmental center.
 - (3) Shall allow for lease revenues or other proceeds received by the state under the lease for projects authorized by this section and Government Code Section 14670.35, to be utilized by the Department of Developmental Services to support individuals with developmental disabilities, including subsidizing rents for such individuals.
 - (4) Shall include provisions authorizing the Department of Developmental Services, or its designee, to provide management oversight and administration over the housing for individuals with developmental disabilities and the general operations of the project sufficient to assure the purposes of the lease are being carried out and to protect the financial interests of the State.
- (c) The Department of Developmental Services may participate in proceeds, if any, generated from the overall operation of the project developed pursuant to this section. All proceeds received from the project authorized by this section and the project authorized by Government Code Section 14670.35 in accordance with the terms of the lease shall be deposited in the Department of Developmental Services Trust Fund, hereby created in the State Treasury for the purpose of providing housing and transitional services for people with developmental disabilities. Any

expenditure from the Fund shall be allocated in the annual Budget Act. Any funds not needed to support individuals with developmental disabilities shall be transferred to the General Fund upon order of the Department of Finance.

- (d) The Director of General Services, with the consent of the Director of the Department of Developmental Services, may enter into a lease pursuant to this section at less than market value, provided that the cost of administering the lease is recovered.
- (e) The project and lease, including off-site improvements directly related to the housing project authorized by this section, shall not be deemed a "public works contract" as defined by Public Contract Code section 1101. However, any construction project contemplated by the lease authorized by this section shall be considered as a "public works" as defined by Labor Code section 1720, subdivision (a)(1), for the purpose of prevailing wage requirements.